

UNITED STATES OF AMERICA

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NATIONAL GAMBLING IMPACT STUDY COMMISSION

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CONFERENCE CALL

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FRIDAY

OCTOBER 9, 1998

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COMMISSIONERS:

KAY C. JAMES, CHAIR
WILLIAM A. BIBLE
JAMES C. DOBSON, PH.D.
TERRENCE LANNI
RICHARD C. LEONE
LEO T MCCARTHY
PAUL H. MOORE, M.D.
JOHN W. WILHELM

1 12:25PM Chairman. Kay James on the line talking with Dr.
2 Paul Moore joined by Steve Reed, Judy Patterson, Dean Gerstein
3 and Bill Bible.

4 12:30-12:35 Commissioner John Wilhelm, Commissioner
5 Terrence Lanni, Commissioner Leo McCarthy, Commissioner James
6 Dobson and Commissioner Richard Leone joined the lines in order
7 listed.

8 When asked if Commissioner Loescher was on the line it was
9 stated by Tim Kelly, that Commissioner Loescher was not sure that
10 he would be able to join the meeting.

11 At 12:35 the Chairman begins, after ceasing with the
12 conversation of all the early parties who joined the call before
13 the meeting officially began.

14 Chairman James: I would like to start by welcoming everyone
15 and thanking you for joining us. This is the first time we've
16 had a teleconference meeting of the National Gambling Impact
17 Study Commission. I want to particularly thank Commissioner
18 Moore for the extraordinary efforts he has made while on vacation
19 to be here with us.

20 Before we begin, I want to formally take the roll call for
21 the record, and ask each Commissioner to signify by saying "here"
22 when I call your name.

23 Chairman James: Commissioner Bible

24 Commissioner Bible: . Here

25 Chairman James: Commissioner Dobson

26 Commissioner Dobson: Here

27 Chairman James: Commissioner Lanni

28 Commissioner Lanni: Here

29 Chairman James: Commissioner Leone

30 Commissioner Leone: Here

1 Chairman James: Commissioner Loescher (no response).

2 Chairman James: The record will indicate that Commissioner
3 Loescher was absent at this point.

4 Chairman James: Commissioner McCarthy

5 Commissioner McCarthy: Here.

6 Chairman James: Commissioner Moore

7 Commissioner Moore: Here

8 Chairman James: Commissioner Wilhelm

9 Commissioner Wilhelm: Here

10 Chairman James: With that, all are present, with the
11 exception of Commissioner Loescher. I'd like to establish that
12 there is a quorum.

13 My preference would be that we would all be together
14 somewhere having the opportunity to conduct this business face to
15 face, and with the public. But I suppose a meeting by telephone
16 conference, means we're becoming high-tech. None-the-less this
17 high-tech does allow for us to come together for this brief
18 meeting. I called this meeting in order to address a single, but
19 I believe a very important agenda item, that was referred to the
20 full commission by the research sub-committee. And that item of
21 course is the patron survey.

22 I trust that each of you have received the packet of
23 information on this issue, that included both the majority and
24 the minority reports and it's my hope that this meeting will
25 enable us to discuss this difficult issue and leave here with a
26 resolution one way or the other. And will allow us to move ahead
27 with our research agenda. I'd like to also say that we have had
28 the opportunity this afternoon with this high-tech set up, to
29 include quite a few listeners.

1 Commissioners you need to know that there are many people
2 who are listening to this conversation. Staff sent out over 800
3 notices and we have confirmations from at least 734 of those. So
4 we have done everything in our power, to make sure that the
5 message went out in a reasonable time and people had the
6 opportunity to listen in and to participate.

7 I understand that this meeting has been made available in
8 the commission office for anyone who could not get to a
9 telephone, but wanted to come in and listen to our deliberation
10 this afternoon.

11 The reason for the referral of this important issue to the
12 full commission is that the Research Subcommittee was not able to
13 reach consensus on this, and we have agreed that whenever there
14 is a lack on consensus on a significant matter that it would be
15 brought back before the full commission for deliberation. It is
16 my intent this afternoon to move through this issue as
17 efficiently as possible by first allowing the chairman of the
18 Research Subcommittee the opportunity to discuss this, as well as
19 give any recommendation that he may have. Once he's finished I'll
20 then ask the other members of the Research Subcommittee to share
21 their viewpoints on this. Once they've had the opportunity to do
22 that, I will then open the floor to all commissioners for
23 discussion.

24 I would also note that on the line we have Dean Gernstein
25 from NORC, and Peter Reuter, who I am told is joining us from
26 Portugal. Well I tell you, thank you so much Peter for doing
27 that.

28 Mr. Reuter: Tough life being an academic.

29 Chairman James: What can I say.

1 At the request of Commissioner McCarthy we also have on the
2 line, Judy Patterson of AGA and Rick Hill, representing NIGA; and
3 back in Washington the Executive Director, Tim Kelly and Research
4 Director Doug Seay. Also on the line at the request of several of
5 the commissioners are their staff, Eric Altman and Ron Reno.
6 Welcome to all of you.

7 In order to make this process as orderly and useful as
8 possible I will ask the commissioners, first request to speak,
9 once recognized feel free to address any of the commissioners or
10 any of the individuals who are on the line with questions or
11 concerns. But it really would help us, when we're in a listening
12 mode, and can't see each other, if you would identify who you
13 are.

14 Once the discussion is complete and each commissioner is
15 fully informed on the issue, I will then ask for a motion to
16 vote. I'm sure that all of you are aware of this latest issue,
17 and the concerns that have been expressed. Since and particularly
18 about how we are having this meeting today, in terms of doing it
19 by way of conference call. Since the beginning of our work, I
20 have assured our commission skeptics, and there are a few, that I
21 would use my position as chair to guarantee that the proceedings
22 and work of the commission are conducted in a fair, balance and
23 objective manner. That respectfully permits the (inaudible)
24 opinion that includes factual information crucial to the
25 completion of our work.

26 And in addition to that, I've tried to keep the discussion
27 as open as possible to the press, and to the public and I
28 understand that the (inaudible) interest are keenly interested in
29 this work and ought to be apprised of the opportunity to assist.
30 As a part of that on-going debate, I, along with all of the

1 commissioners, have listened to a lot of testimonies. We've had
2 hundreds of pages of material and have talked to a lot of
3 panelists, citizens, and policy makers. And I, as well as the
4 other commissioners, want to welcome those of you who are joining
5 us in this phone call this afternoon. It is our hope and our
6 desire that it will assist us in this debate and deliberation of
7 this important policy matter.

8 Before I hand it over to you Leo to present the issue, I
9 think it is important to address the timeliness issue and why it
10 had to be done now. Why we could not wait for our meeting in
11 November and for that I'm going to turn it over to our researcher
12 Dean Gerstein and ask you to address that issue and anything else
13 before I turn it over to Leo.

14 Mr. Gerstein: Thank you, I really am only referring here, to
15 the calendar which marches on. The schedule calls for us to
16 complete our data collection by the beginning of December. It
17 originally called for us to begin this survey of patrons.
18 (Inaudible) should it be carried out at the end of August or
19 early September. We are now, well beyond that point and indeed
20 at the point where further delay beyond this juncture and time
21 would essentially moot the decision. Because there simply
22 wouldn't be the sufficient time remaining before the field has to
23 close and the analysis of data must begin for the survey to be
24 carried out. Therefore we did ask that the Research Subcommittee
25 refer this matter to the Commission as soon as possible so that
26 we could come to a decision on the merits, rather than just on
27 the calendar.

28 Chairman James: Yes, and my understanding Dean is, that if
29 this decision were not made within a matter of days, there would

1 be no way to get this information on time and there would be no
2 patron survey. Is that correct?

3 Mr. Gerstein: . That is our judgement.

4 Chairman James: Commissioner McCarthy

5 Commissioner Lanni: This is Terri Lanni, may I interrupt?

6 Madame Chair: . Yes, you certainly can.

7 Commissioner Lanni: Just one thing, I certainly understand
8 this on this occasion. Your explanation and I understand the
9 need for doing so.. Having been the one who originally introduced
10 the motion which was unanimously approved, that at any time a
11 Subcommittee doesn't meet a unanimous approval, it must come back
12 to the full commission. I would only ask, that, for the record,
13 that in the future whenever possible we have our meetings in
14 person. I think it is difficult when you have a deliberation of
15 this nature not to be able to face people. It just makes for
16 better discussion but I do understand the situation on this
17 occasion. I'm not complaining at all about, that I just want the
18 record to note that I would much prefer to have these
19 deliberations to take place in person.

20 Chairman James: For the record Terry, I absolutely agree
21 with you. As a matter of fact, if there were any way possible to
22 get this group together, to do it face to face, that would always
23 be more preferable than this. This is by no means a preferable
24 way of doing business and I absolutely concur.

25 Commissioner Bible: Kay, Bill Bible, I was curious as to
26 whether or not we're legally capable of proceeding on a
27 teleconferencing environment.

28 Chairman James: My understanding is we are, unless you
29 know something I don't know Bill.

1 Commissioner McCarthy: Bill, I don't know, are we subject
2 to the Federal Advisory Commission Act? Because I suppose that
3 would be the controlling statute.

4 Chairman James: Well, you may remember Bill, that we asked
5 the same question of our legal counsel and he gave us that
6 opinion. And I would refer you back to that document which
7 basically summarized it by way of saying that this commission, it
8 depends on who you ask, but most agreed that we were not
9 necessarily bound by FACA.

10 We are not an Executive branch agency, but if you remember
11 my past statement, I have always said, that even though we were
12 not bound by FACA I thought we should operate under the spirit of
13 FACA whenever and wherever possible.

14 Commissioner Bible: Are there opinions out there that are
15 contrary to our counsel's opinion?

16 Chairman James: Not that I am aware of. GSA sort of
17 threw up it's hands. My understanding is that they originally
18 said we were bound by FACA, but then, it's not a clear point.
19 But the point that I believe is most important is whether we are
20 bound by it or not, whenever that we should operate in every way
21 that we can, in the spirit of the law. That's why we gave
22 reasonable notice of this meeting. That is why we made
23 accommodations for the press, that's, in fact, why we have made
24 accommodations for interested parties to participate in this
25 conference call. And so I am confident, based on the advise of
26 legal counsel, that we are well with in the perimeters and within
27 the spirit and the letter of the law, and we can move forward at
28 this point.

29 Commissioner Bible: And I appreciate the efforts that you
30 and the staff have made to make sure that everyone is included. I

1 just wanted to make sure we are on solid legal grounds by
2 proceeding in this manner.

3 Chairman James: It is the advice of Counsel that we are in
4 fact on solid ground. With that I would like to call
5 (interruption)

6 Commissioner Lanni: Kay, I'm sorry Kay, it's Terry Lanni
7 again.

8 Chairman James: Oh sure Terry.

9 Commissioner Lanni: I have a question, the witnesses
10 you've indicated that will be able to speak I assume--I think
11 it's correct in assuming--that any comments that they make, that
12 you will give them the normal notification that it will be
13 considered as if they are making the comments as if they are
14 under oath.

15 Chairman James: Oh, absolutely. Absolutely, we are
16 operating under the standing rules of our commission and
17 Commissioner McCarthy asked that because the AGA and NIGA are in
18 fact helping in the patron survey that they be allowed to
19 participate. As well as the researchers and for the record I
20 will state that under the standing rules of our commission, it
21 will be presumed that anyone speaking and offering advise in
22 counsel to this commission will be presumed to be under oath.

23 Commissioner Dobson: Kay, this is Jim Dobson

24 Chairman James: Hi Jim

25 Commissioner Dobson: There was a mistake made in the
26 beginning with regard to my staff. I was told we could have one
27 staff member who might be able to speak, and you indicated that
28 was Ron Reno, it is actually our attorney Steve Reed who is on
29 the line.

30 Chairman James: All right.

1 Commissioner Lanni: Terry Lanni again, I don't mean to be
2 taking so long, but I would like to make a brief statement, maybe
3 no more than a minute and a half.

4 Chairman James: Oh Terry, I will be happy to.

5 Commissioner Lanni: I apologize and I don't want to.....

6 Chairman James: That's OK

7 Commissioner Lanni: But I think it is relative to the
8 patron survey on the sample basis that was completed here in Las
9 Vegas at our Flagship property As you know I am here today as a
10 Commissioner, but I'd like to speak for a moment in my capacity
11 as chairman and chief executive officer of MGM Grand. Inc.

12 Chairman James: Well, Terry let me ask you this
13 question? Of course you can speak whenever you want to. Would
14 it be better to have that after we lay out the broad perimeters
15 of what we are here to talk about or would you prefer to make
16 that statement now.

17 Commissioner Lanni: I think it may be in the order of
18 fairness, it might be better that I do it now.

19 Chairman James: Okay, that's fine.

20 Commissioner Lanni: It's for the record and I think its
21 appropriate cause it's relative to NORC.

22 Chairman James: Well then, the Chair recognizes
23 Commissioner Lanni.

24 Commissioner Lanni: Thank you and I'll be as brief as I can
25 but, In a real spirit of cooperation, I agreed to have this
26 company volunteer it's flagship property as a site to this sample
27 patron survey by NORC of our patrons. My instruction to our
28 people "I'd like the record to note, was to cooperate and assist
29 those people in every possible way.

1 We also entered into an oral agreement with NORC at that
2 time. That we would be along with the garage property in Las
3 Vegas would do this on a basis of anonymity. That it would not be
4 disclosed to the commission or to the subcommittee. Following the
5 process I might add, we received letters and calls from
6 representatives, including Sally Murphy, who is the Senior Survey
7 Director of NORC, thanking us and specifically saying that had it
8 not been for our cooperation of the system both here at MGM and
9 the Mirage (inaudible).

10 Commissioner Dobson: Terry excuse me, Chairman, at one of
11 the offices of somebody on the line, someone is talking in the
12 background, who ever that is, if someone could please do
13 something about it.

14 Mr. Reuter: This is Peter Reuter and I'm in a situation
15 where I don't have any control, it won't happen more than very
16 occasionally.

17 Commissioner Lanni: OK anyway, we agreed to anonymity and
18 following this process we did receive these letters saying they
19 were very appreciative of the cooperation and systems both from
20 Treasure Island and from MGM Grand and frankly at my utter
21 amazement, I learned that at a Research Subcommittee meeting in
22 New Orleans that NORC in my opinion violated that anonymity
23 agreement by disclosing the identification of the two Las Vegas
24 casino companies to the Subcommittee.

25 Then as a result of that, there was a comment also made by
26 representatives at NORC at those meetings or at one of the
27 meetings, if not more than one. That the poor response level that
28 occurred in Las Vegas, would have been overcome, if they had had
29 more cooperation from the entities here.

1 Commissioner Bible I'm sorry, but I can hardly hear
2 Terry...

3 Commissioner Leone: May I make a low-tech suggestion. If
4 you are not in fact speaking, it's proper to put your hand over
5 the speaking side of the telephone and that will cut out the
6 extraneous noise

7 Chairman James: That still works.

8 Commissioner Leone: Yes, that still works.

9 Chairman James: Peter can you try that?

10 Mr. Reuter: 'I'm doing that.

11 Commissioner Lanni: Our records fully indicate that both
12 here and the Treasure Island were very cooperative and that there
13 was to be anonymity. So, in my capacity as Chairman and Chief
14 executive officer of MGM Grand, Inc. I want to set NORC on notice
15 that my company reserves it's full rights to seek full legal
16 redress for these actions on the part of representatives of
17 NORC... and I would trust...

18 I wish Mr. Reuter would somehow cover that. . .

19 Peter: Then I'll have to get off, I'm in a setting where I
20 can't control it.

21 Commissioner Dobson: Will you find another phone Peter?

22 Mr. Reuter: I will try, I'll call back in.

23 Chairman James: Thank you Peter.

24 Commissioner Lanni: And I obviously wanted that to be on
25 the record before we had comments made by anyone relative.

26 Commissioner Bible: I didn't hear the last part of your
27 statement Terry, I could not hear

28 Commissioner Lanni: The last part of the statement was that
29 because of the fact that the anonymity was not observed and what
30 I considered to be false allegations, there was not a proper

1 amount of assistance and cooperation which I consider to be a
2 complete violation of the actual fact, I wanted to, in my
3 capacity as Chairman and Chief Executive Officer of these
4 companies is to put NORC on notice that this company reserves it
5 right to seek full legal redress for these actions on the part of
6 representatives of NORC.

7 Because now there have been numerous newspaper articles
8 which have misquoted and misstated levels of problem gambling
9 that would have taken place at potentially these two properties
10 and I only speak for MGM Grand, Inc., not for Treasure Island.
11 With that being said any further statements that I will make will
12 be in the basis and in the position as a commissioner of this
13 commission.

14 Chairman James: Thank you

15 Commissioner Lanni: And thank you Kay for allowing me.

16 Chairman James: Oh, Absolutely, thank you very much
17 Terry and again I would remind Commissioners, please state your
18 name and asked to be recognized. I can't call on you, because I
19 can't see you, so I would ask you to do that so we can move
20 through this efficiently.

21 Chairman James: Commissioner McCarthy.

22 Commissioner McCarthy: Yes, thank you. Let me sort of try
23 to put this in perspective. Through my eyes and Jim Dobson's
24 eyes, and the majority of the Research Subcommittee, the
25 Commission recognized more than a year ago that we needed to
26 support some original research in order to do our job well. And I
27 believe that we also recognized that supporting new research is
28 not like buying a load of lumber. You can't just order up new
29 knowledge by the inch and the yard. Research is a process of

1 discovery, it requires flexibility, persistence, good faith,
2 technical skills and a willingness to learn as you go along.

3 And I think that statement was an appropriate beginning
4 because I kept asking myself from the very beginning when we were
5 creating the Research agenda with Peter Reuter's and Tim Kelly's
6 help and many, many discussions of the Research Subcommittee, how
7 much current information do we have about the nation's problem
8 and pathological gamblers.

9 How much does the public have, to help it weigh the negative
10 vs the positive arguments over the many social and economic
11 consequences of legal gambling that now operate nationwide and I
12 think the answer is that there's relatively little information.
13 There have been many state and local studies that do suggest that
14 there are millions of problem and pathological gamblers. All
15 sides will argue about how many millions, but there is no
16 question that this is a mammoth problem in the United States.

17 We get scattered indications that the number of problem and
18 pathological gamblers maybe growing. But without the research
19 that goes beyond one city or one county or one state, without the
20 research that ask the right questions, the public will not really
21 know the information they need as they weigh the judgements
22 whether to initiate, or expand or terminate legal gambling in
23 their states or their local jurisdictions. We've heard scores of
24 witnesses at our site hearings that have described the
25 consequences of their destructive gambling habits on their
26 families, on their businesses, their communities so that gives us
27 a glimpse.

28 But we all are really unsatisfied with that because we know
29 it's not the kind of orderly, organized research that we need to
30 understand not only the prevalent rates, for problem and

1 pathological gambling in this country, but something useful about
2 the behavioral patterns of this population of Americans. There
3 are signs of increasing traffic on many problem gambling hot
4 lines that hint that at the possible magnitude, but this is not
5 satisfactory because it's not done in a way that's defensible
6 with some uniform methodology to get us the information that we
7 need. Now, Congress was very clear in it's direction to gather
8 ample information about this population of Americans. And our
9 common sense tells us, that the Commission is to gather data not
10 just about prevalence rates, but also information about a variety
11 of behavioral patterns that problem and pathological gamblers
12 engage in. And I submit for the majority that with a survey of
13 500 plus patrons being interviewed the Commission can equal the
14 number of problem and pathological gamblers we identify and
15 question in our national telephone survey of 2,700 to 3,000
16 household residence interviewed using the Commission's
17 questionnaire.

18 The public would have different kinds of information about
19 problem and pathological gamblers including the presence of
20 associated problems like mental health or alcohol abuse. A year
21 ago our Commission identified two purposes for the patron survey.
22 To increase the number of problem and pathological gamblers
23 interviewed, and to sharpen our estimate of the proportion of
24 gambling receipts that facilities obtain from problem and
25 pathological gamblers.

26 We dropped the second purpose at our Sept. 29th Research
27 Subcommittee meeting. That wasn't the first date we had doubts
28 about this. We concluded that from patron interviews alone, and
29 perhaps not even with full access to casino tracking information
30 and other kinds of records could we reliably estimate the

1 proportions of gambling receipts that problem and pathological
2 gamblers contribute in each kind of gambling facility.

3 However, on the other purpose, the minority report suggests
4 that increasing the total number of problem and pathological
5 gamblers to interview and to try to understand their behavior
6 patterns is something new. There are a number of things that
7 you've received in the information we sent you chronicling the
8 history of the discussion of patron interviews before the
9 research subcommittee. Let me just refer to a couple of them.

10 On Feb.17th, the NORC proposal said it is possible to satisfy
11 the Commission's request for estimates of the proportion of
12 patrons at any given moment who are problem and pathological
13 gamblers, and the share of gambling revenue generated by problem
14 gamblers by using appropriately framed information from the
15 telephone household survey. However NORC also proposed to
16 perform exit or on site interviews with patrons at a
17 representative sample of facilities in order to resolve potential
18 non-coverage issues for gamblers who are under represented in any
19 household frame. And to estimate bias that may be attributable
20 to recall error, particularly for infrequent gamblers.

21 Then further on March 25th, Tim Kelly at the direction of the
22 Research Subcommittee wrote NORC a letter trying to clearly
23 indicate to them, what it was we wanted them to validate in a
24 pilot study. And I just wanted to indicate one of a couple of
25 things that we suggested. The ability of the data that would be
26 collected at the pilot study, either alone or together with the
27 national telephone survey to describe the behavior of a well
28 defined set of problem pathological gamblers. So here we're
29 talking about whether or not the early purposes stated by the
30 Research Subcommittee, and confirmed by the full commission were

1 indeed followed through and there is this continuity of thought.
2 Now I want to move to another point here. There were 86
3 interviews conducted in the pilot program, and I want you all to
4 recall that when we talked about the pilot program we were
5 attempting to find out whether or not we could successfully
6 intercept patrons leaving, in this case, they were three casinos.
7 But obviously this patron interview is going to extend to several
8 other forms of gambling facilities as well. We were attempting to
9 determine whether or not we could successfully interview at a 14
10 or 15 minute interview, patrons who are leaving.

11 Our premise was that obviously at gambling facilities you
12 are going to have a much higher percentage of people who are
13 problem and pathological gamblers, because non-gamblers would not
14 be there. And we wanted to ask them questions that would find
15 out whether or not they met the DSM-IV criteria which the
16 commission long ago adopted as it's standard that could
17 appropriately define as problem or pathological gamblers. Now,
18 interestingly, the fact that two of the eighty-six interviews
19 were indicated to be pathological gamblers has been stated as
20 insignificant and as a reason not to go forward.

21 I really don't want to suggest that eighty-six interviews
22 can give any side in this discussion, true statistical validity,
23 but if we are to isolate that number, that means that 2.3% of the
24 eighty six people who were interviewed are pathological gamblers.
25 This is approximately twice what is said to be the true figure by
26 many people who have been commenting on how many pathological
27 gamblers we've got in this nation.

28 Oddly enough on the other side of this, when we deal with
29 problem gamblers, the fact that a number of people interviewed, I
30 think it was up to 29 or 31 were said to be problem gamblers that

1 was excessive and therefore it was suggested that if they met
2 only one of the DSM-4 criteria, and remember one through four
3 would say this is a problem gambler. If they met only one that
4 wasn't strong enough, so that should be deleted, so we have two
5 sort of opposite arguments being advanced here.

6 Now we'll get into many other discussions on different
7 points of what the minority poured in, what others outside of the
8 Research Committee have raised as points of dispute in this. But
9 I just want to finally refer to the suggestion that the 80 or 90
10 thousand dollars that would be spent in this patron survey of 500
11 could be better spent expanding the number of interviews in the
12 16 to 17 year old category. This patron interview will likely
13 yield about a hundred-twenty-plus problem pathological gamblers.
14 That might double the number of problem pathological gamblers
15 that we will identify in our household interviews of 2,700 -
16 3,000. The same funds used to add 225 interviews to the 16-17
17 category would yield perhaps 10 to 20 who might be problem
18 pathological gamblers.

19 In closing at this moment I just want to say, that its
20 really not surprising to me that we've had to rethink and modify
21 some of our ideas over these several recent months of work and
22 that the Research committee run into some disagreements along the
23 way. I believe we've come a very long way on a number of items
24 before needing to bring this one before the full Commission. And
25 I think that there are only three members of this Commission that
26 really knew a lot about the gambling industry. Terry Lanni
27 obviously, Bill Bible obviously, and perhaps to a lesser extent
28 my friend, and colleague on the Subcommittee John Wilhelm.

29 The rest of us, I hope I am not being presumptuous I
30 certainly say it of myself, are neophytes in this area. So we

1 have learned a great deal. What I know today is a lot different
2 than what I knew 15 months ago. And the fact that I would view
3 different problems and approaches on how to get at this whole
4 issue of how to gather original research should not be surprising
5 to anyone. Madame Chair that concludes my opening.

6 Chairman James: Commissioner Wilhelm

7 Comm. Wilhelm:: Yes, thank you Kay.

8 First, just for the record I share the concerns that the
9 others have expressed about the notion of trying to conduct
10 commission business on important issue by way of conference call
11 and I hope that we don't do that again. Second, again for the
12 record, I have a confusion about the basis for the last Research
13 Subcommittee meeting since the reason advanced or the
14 justification advanced for that in the memo that we received said
15 that it was pre-decisional, but if we didn't make a decision I
16 don't know how we got to this conference call. Having said that
17 I don't want to simply repeat the things that I pointed out in
18 the memo that I trust all the commissioners received.

19 To me all of the things that Commissioner McCarthy just said
20 by way of introduction to his comments and arguments pertaining
21 to the importance of the pathological gambling issue, and the
22 lack of scientific information about it are all true. That is
23 why even though I was appointed to the Commission for the
24 explicit purpose of representing the gaming employees and their
25 interest and my own particular primary interest that has to do
26 with the economic impact, I have never-the-less as a member of
27 the Research Subcommittee supported a research agenda which puts
28 virtually all of the research dollars, with minor exceptions,
29 into the area of problem gambling. Because I agree with those
30 comments by Commissioner McCarthy, and I supported the pilot

1 patron study precisely because of those concerns, even though I
2 have from the beginning of the discussion within the Subcommittee
3 of the patron study expressed skepticism about whether it could
4 be done in a statistically valid way.

5 I supported, in particular, the hope that the patron study
6 could produce valid estimates of the proportion of gambling
7 facility revenues that comes from problem gamblers. While at the
8 same time expressing skepticism that the study could do that. As
9 Commissioner McCarthy reported the Subcommittee has not
10 unanimously agreed and this is concurred in by both staff and
11 NORC that the patron survey can not produce valid estimates of
12 the percentage of revenue gambling facilities provided by problem
13 gamblers.

14 That conclusion having been reached, it's my view that, not
15 that there is anything horrible about this proposed patron survey
16 in spite of that conclusion, but rather that it's simply a waste
17 of money, in fact, to me as I tried to outline the memo and I
18 won't recite it again. The metamorphosis of this study, which is
19 really a set of moving targets, is somewhat like the jokes that
20 one hears about government. You know we have a project invented
21 that we pay for by tax payer money that is suppose to be done for
22 a particular purpose and the particular purpose doesn't exist any
23 more, and so we invent a new purpose, rather than taking that
24 same amount of taxpayer money and spending on something that my
25 view would be considerably more relevant.

26 And I just want to quote two sentences from the research
27 agenda of the Commission, which was unanimously approved by the
28 Commission, and it reads as follows. The two sentences that I
29 wish to call the Commissioners attention to is on page 4, of the
30 research agenda which was redistributed for the purpose of this

1 conference call to the commissioners by the staff. "A targeted
2 survey based on approaching players as they exit the casino,
3 betting parlor or lottery outlet will not yield samples which can
4 be described systematically, and thus generalize to a larger
5 population." That was our view going in, however such data could
6 be useful as descriptive research intended to provide a snapshot
7 of percentage of problem pathological gamblers at various
8 locations as well as helping development of estimates of
9 percentage revenue provided by problem pathological gamblers vs
10 non-problem pathological.

11 And of course that later purpose we have now concluded
12 doesn't exist. (word lost in process of turning tape over) such
13 interviews will not be statistically applicable to anything else.
14 And so it will be nothing more than a collection of interviews.
15 I'm not against a collection of interviews, but I don't believe
16 it will produce any usable research results other than to the
17 extent that it's interesting to see what a collection of
18 individuals may have said about their gambling issues.

19 So since it's not going to produce anything valid that can
20 be generalized to anything. Then I think it's simply a waste of
21 money and I think that the money could be better spent on any one
22 of a number of research priorities which have been identified by
23 our research agenda but not yet addressed. My own personal view
24 of what ought to be done with the money as I have indicated is to
25 enlarge the adolescents sample and I think it's unfortunate that
26 we have an adolescent sample that won't tell us even as much as
27 we are going to find out about adults.

28 And I would just close with this point. The DSM-4 document
29 that was attached to the majority report of the Subcommittee
30 doesn't say anything about the definition of problem gamblers, it

1 talked about the definition of pathological gamblers with 5 or
2 more of those characteristics. I just want to note for the
3 record as I understand it, it's not an area of expertise of mine,
4 but a good deal of scientific dispute about what the definition
5 of a problem gambler, is even though Commissioner McCarthy
6 comments as though we're treating that as a settled matter. In
7 conclusion, my view of this is not that it's horrible or
8 anything. It's simply, I think, a waste of money, that could be
9 better spent on something more useful. Thank you

10 Chairman James: Thank you. Aare there questions from
11 commissioners at this time?..

12 Commissioner Bible: Kay, Bill Bible, I have a question
13 for Leo.

14 Chairman James: Hi Bill.

15 Commissioner Bible: Leo, having listened to John's comment
16 about the interviews just simply being a collection of interviews
17 and not being more useful for broader purposes, is it the
18 Research Subcommittee's intent to then take these interviews and
19 some how draw conclusions from these interviews about the larger
20 population of the United States? To extrapolate them in to other
21 data that we are collecting?

22 Commissioner McCarthy: No, I think it will be compared to
23 the telephone survey for certain limited reasons, but I would
24 assert that the knowledge we derive from these 500 plus
25 interviews by themselves, add to give something, some specific
26 knowledge about problem pathological gambling behavior, that is
27 not found anywhere else. The best we've got, we don't have any
28 national data that used a uniform approach and these 32
29 facilities will be scattered around the nation and so they are
30 useful unto themselves. If you look at page 3 of the majority

1 report, the first full paragraph, you will see the sorts of
2 information that I think this will yield.

3 It will let us compare the general population to problem
4 gamblers to see what differences there are. It will give us some
5 specific kinds of information. Let us know about job problems or
6 depression some of these things that I mentioned in my opening
7 and other issues as well, so it's not just a collection of
8 individual interviews and ought not to be dismissed as such. It
9 will provide us some valuable information.

10 Commissioner Bible: Will the information always be clearly
11 identified that, that's the source of the information? So that
12 as we review the various information that is presented to us that
13 we can isolate the information from the patron surveys to make an
14 assessment in our own minds as to the credibility of that
15 information.

16 Commissioner Dobson: Madame Chairman, May I answer that?

17 Chairman James: Certainly, Dr. Dobson.

18 Commissioner Dobson: This is Jim Dobson The one of
19 John's criticisms, obviously Commissioner Bible is talking about,
20 is the fact the patron study isn't going to yield perfect data,
21 that it won't be drawn from a symmetrical pool of subjects and so
22 on. But that is not a good reason for its not being done, from
23 my point of view, because no study is ever perfect. And all
24 surveys have to be qualified to some degree and what every
25 researcher has to do with very few exceptions as he summarizes
26 his findings is to note the limitations of the sample and sight
27 the implications for external validity. So we always have to do
28 that and this is not going to be a perfect study, but it's going
29 to yield useful information and that is why I support it.

1 Chairman James: Bill, let me try to address what I though I
2 heard you say which asked when this information is presented,
3 will it be cited as coming from the patron survey.

4 Commissioner Bible: It will be clearly identified or
5 cited.

6 Chairman James: And I can only answer in terms of the
7 Final Report, and the answer will be absolutely, but I don't have
8 control over anything other than that.

9 Commissioner Bible: That is correct.

10 Commissioner Wilhelm: Kay, John Wilhelm, May I comment on
11 this last exchange?

12 Chairman James: Certainly.

13 Commissioner Wilhelm: I really think that the question
14 that Bill asked and Leo's response to, is really part of whether
15 this thing is worth doing at all. I go back to a line of Leo's
16 in his introductory remarks that I jotted down. He said we don't
17 need a glimpse of some of this stuff, we need to orderly research
18 it. Unfortunately I would have to suggest that the paragraph from
19 the majority report on page 3, that Leo just quoted from, is
20 simply not accurate. And in particular where it says we will be
21 in a better position to assess how pathological gamblers both
22 resemble and differ from problem gamblers and from the general
23 population. There is no support at all for that statement.

24 And again I want to recite the research agenda which we
25 unanimously adopted which says that this survey will not yield
26 samples which can be described systematically and thus generalize
27 to a larger population and there is nothing or anything that has
28 been presented since then, that changes that conclusion. So, if
29 I thought that, that statement by the majority of the

1 Subcommittee were true I'd support this, but I think self-
2 evidently that it isn't true.

3 There is no assurance what-so-ever that the interviews from
4 the facilities will be generalizable to the general population.
5 And in fact the Commission has already concluded that it won't
6 be. And in connection with that let me just point out that the,
7 and I said this in the memo and I don't want to belabor it, the
8 response rate issue to me is directly related to that sentence
9 from the majority report that I just read because the (inaudible)
10 study which is one of the two baseline studies cited by NORC in
11 it's proposal had 41 percent response rate and the author of that
12 study said that wasn't enough response rate to draw statistically
13 valid conclusions. And NORC originally bragged that because it
14 was world famous for high response rates. That's not me, that's
15 them, that it would do better than that. And then when they did
16 only half of that, the response rate that was only 20%, they then
17 announced it didn't make any difference any way. And I think
18 that's directly related to this issue. There is not going to be
19 any generalizable data here. And the majority report is just
20 incorrect in that assertion on page 3, and that's why I think is
21 a waste of money.

22 Commissioner Moore: Commissioner James.

23 Chairman James: Yes, Paul.

24 Commissioner Moore: You know all of us, my thinking is that
25 we were appointed to this Commission for different reasons. I
26 don't know why I was appointed to this Commission. I believe I
27 was appointed to this Commission and I believe all 9 of us. I
28 don't believe Terry Lanni was appointed to this commission to
29 look out after the gaming industry. Knowing Terry Lanni, I think
30 that however he was appointed as all of us now, 9 members and

1 what our function is now is to determine the effects of gaming
2 upon the people of the United States economically and socially.

3 I don't believe John Wilhelm was appointed to protect the
4 union people. I like John, but I don't believe he was appointed
5 for that, I believe he was appointed because he was educated and
6 knowledgeable and could give a fair answer.

7 I think that what we need to do on this I thought a mail
8 out, I thought if we got 3-5%, I've been told if you got a 3-5
9 percent response that you could extrapolate that on any survey
10 and come out with something that was good. So I think that this
11 is something different, this is something you say that hasn't
12 been done particularly and I believe that when we look at this as
13 a full Commission, if this thing is not good I don't believe it
14 will be in that Report. I believe we will agree on what goes in
15 the report. But I believe it will be interesting to look at this,
16 to talk to these people as they come out of the different types
17 of establishments and I believe it would be of value to us.

18 Chairman James: Any other Commissioners have comments or
19 questions for either our researchers or any member of the
20 Research Subcommittee?

21 Commissioner Lanni: This is Terry Lanni, I actually have
22 one, of Dean Gerstein if I may. Dean are you still on the line?

23 Mr. Gerstein: Yes, I am.

24 Commissioner Lanni: Okay, I would like to talk about the
25 sample patron survey again. Just 3 questions if you would. One,
26 That was intended as I understand to be a patron survey, correct?

27 Mr. Gerstein: Yes, it is.

28 Commissioner Lanni: Now, a patron to me and correct me if
29 you think differently, is a customer or client? Is there any
30 other person who would be a patron in your experience?

1 Mr. Gerstein: I think our assumption is that patron
2 operationally means an individual that we encounter in the
3 gambling facility and whether they have been a customer in sense
4 has spent money there is what the interview is going to have to
5 determine.

6 Commissioner Lanni: Well I was going ...a little bit in (word
7 inaudible) Would you consider if doing a sample survey which was
8 done here in Las Vegas on our property, that one of your
9 surveyors would walk over and reach out for a uniformed employee
10 of this company to interview, would that be a patron survey in
11 your opinion? (pause)

12 Dean that's not a difficult question to answer

13 Mr. Gerstein: Yeah, but I'm puzzled about the question.

14 Commissioner Lanni: What? It's a question. It's a simple
15 one. If one of your surveyors with the questionnaire would reach
16 out during the survey here and ask a uniformed employee of this
17 company to participate in the survey would that be appropriate?
18 You're the expert, I'm not.

19 Mr. Gerstein: Our interviewers were not instructed to
20 bring back interviews of employees of the sites.

21 Commissioner Lanni: You could name them, you've named them
22 already so they know, but the point is that would not be an
23 appropriate. I'm not putting words in your mouth. Would it be
24 appropriate for your interviewer to interview one of our
25 uniformed employees? (pause)

26 Dean this is not a difficult question.

27 Mr. Gerstein: I, I, but I'm still not sure what to make of
28 it.

1 Commissioner Lanni: Well it's just that I'd like to know
2 the answer, is it appropriate, would it be appropriate for your
3 surveyor to interview one of our uniformed employees?

4 Mr. Gerstein: I think it would be inappropriate for our
5 interviewer, to submit an interview as a work that was meant to
6 be a patron, knowing that the individual was there not in the
7 capacity of a potential customer, but in the capacity of an
8 employee.

9 Commissioenr Lanni: Well in this case it was a parking
10 valet, but that's a separate issue. Let me ask you another one.
11 In the process, as I understand it, a surveyor would stand in an
12 entrance, in this case, try to get the attention of a person to
13 be surveyed and then step aside with them to get them out of the
14 flow of traffic, and as I understand it, the orders and
15 instruction book. I read your instructions they were provided to
16 me by your people. Would read the question to the individual,
17 and in turn they would orally respond that person being surveyed,
18 and your surveyor would write that response on the document. Is
19 that the process as I understand it?

20 Mr. Gerstein: That does sound like the process.

21 Commissioner Lanni: Okay. Do you think it would be
22 appropriate if one of your surveyors would hand a survey to a
23 patron and ask them to fill it out, would that be appropriate?

24 Mr. Gerstein: Again, I'm not sure of the circumstance, due
25 to the rise in field situations where someone didn't understand
26 the question and actually seeing it written out enabled them to
27 understand it.

28 Commissioner Lanni: No, not a question. I'm saying they
29 handed the entire survey in blank to the individual and asked

1 them to complete it. Would that be appropriate by your normal
2 standards of doing surveys? you being the expert.

3 Mr. Gerstein: Ordinarily, unless the survey was designed
4 for self- administration, the interviewer wouldn't carry that
5 out, but, again it would depend on the circumstances.

6 Commissioner Lanni: Well, you know the circumstances,
7 they're here. The third question is, because I don't want to
8 belabor (interruption by Mr. Gerstein)

9 Mr. Gerstein: There are occasions when someone says I'm
10 willing to participate in the survey, but I don't wish to answer
11 by telling you things. I would rather simply provide it, in what
12 we refer to as a self administered form, and while that wasn't
13 designed particularly in the patron survey at this point, it is
14 an option that we've included in the random digit-dial survey.

15 Commissioenr Lanni: I'm not talking about your random
16 digit-dial survey, I'm talking about your sample patron survey
17 here at MGM Grand, Dean. Let's stay on the subject. 3rd question,
18 would it be appropriate to have two people standing in front of
19 one of your surveyors responding to questions at the same time,
20 while your surveyor has two documents open and checking them off?
21 Wouldn't there be some potential for influence, with two people,
22 maybe significant other or not, responding to questions that are
23 of a private nature? Would that be a normal process that your
24 people would undertake?

25 Mr. Gerstein: Ordinarily a survey is administered to one
26 person.

27 Commissioner Lanni: Yep, Dean, here's the problem I have. I
28 have sworn statements from people who have observed those
29 instances at our property from your surveyors. My question is the
30 competence of NORC in this particular instance. And you have a

1 world wide reputation, but world wide reputation doesn't
2 necessarily mean that every individual whose part of an
3 organization with a world wide reputation is as competent as the
4 others. And I am very bothered about what I consider to be a
5 very shabby approach to the interviewing process here at the MGM
6 Grand in which we volunteered it.

7 So I'm going on record to saying that to you, because I
8 really question the capabilities of NORC. I too, as Dr. Moore
9 said, I want to know, I've said before when I was appointed to
10 this commission, I know there is a percentage of this population
11 that shouldn't be gambling and this industry needs to do more in
12 dealing with those people. I want to get to the bottom of this
13 also, but we need integrity and we need honesty and I'm bothered
14 by that. And I will close with one comment to you Dean.

15 I just read a book by William Bennett. "Death of Outrage"
16 that was my only other reference in my life to NORC and I read in
17 there because it was referencing the current problems that are
18 going on in Washington at the Executive Branch and you may know
19 that Bill Bennett quoted NORC on a survey that you did relative
20 to infidelity in marriages. Now so, my two experiences now with
21 NORC have been dealing with sex, in the case of the Bill Bennett
22 issue, and now lies, in the case of the survey here at MGM Grand.
23 I don't know what is next after sex and lies and I don't think
24 you've answered my questions in an un-candid way.

25 I think you've been honest about it, but I don't like those
26 responses because I have sworn affidavits that will prove that
27 your people didn't properly represent themselves here. And what
28 proof do we have and what comfort do we have, that if we are to
29 move forward with NORC that we aren't going to have the same
30 shabby performance in a more broad based questionnaire? We want

1 answers. I don't want phony answers, I don't want
2 misrepresentation. I want the truth period. That's all I have to
3 say about this and I'm very disappointed in the manner in which
4 NORC has handled this.

5 Commissioner Leone: Kay this is Richard Leone.

6 Chairman Leone: Certainly Richard, please go right ahead.

7 Commissioner Leone: First I have to give the bad news at 1:30 I
8 am suppose to be speaking. I'm at the Tides Inn, by the way,
9 that's where this conference is Kay, so I'm not far away...so I
10 have very little time. But, I want to comment on this topic that
11 Terry raised. I think, I actually have a high opinion of NORC
12 which I've developed over the years based on a lot of research
13 they've done. Which doesn't mean that in any survey research
14 operation or interviewing process that quality control will
15 assure that every individual does a good job or every
16 questionnaire is accurate.

17 I think we're fortunate though that we have in Tim Kelly and
18 in Peter Reuter, a couple of people who are quite experienced
19 with this sort of research and with understanding it and reading
20 it and checking it's reliability and looking into the process.
21 And I think that forewarned is forearmed and the best way to deal
22 with the issues that have been raised is not for the rest of us
23 who frankly don't have any, as far as I know immediate experience
24 to bring to bear here on the powerful points that Terry has
25 raised, but simply to ask you as Chair, to ensure that the two
26 individuals we have working on behalf of the Commission spend
27 perhaps more time than we would have anticipated ensuring that
28 they are comfortable in reporting back to us that NORC is
29 following the kinds of procedures it has followed in the past.

1 And that at a basis for what I think is a well earned reputation
2 . After sex and lies Terry actually its video tapes.

3 Chairman James: I wanted to say it, but just felt like I
4 probably shouldn't.

5 Commissioner Leone: Ah the(laughter)

6 Commissioenr Lanni: Richard this is Terry Lanni, that
7 what I was going to suggest...(unintelligible sentence due to 3
8 person laughing and talking at once) Seriously if the
9 Commission is to move forward on this particular matter, if
10 that's the will of the Commission, I would propose that we have
11 the ability, where the ability is in place to video tape this.
12 Have a separate person audit it, to be sure that the
13 representatives of NORC are following the methodology that has
14 been defined by their leaders.

15 Commissioner Leone: Well, I'm sure you can talk about
16 quality control measures, but the specific issues at hand I
17 think, because you're raising a issues Terry, about whether any
18 of the NORC research is going to be reliable. If we don't
19 believe that NORC is going to do a good job even where they have
20 a statistically significant sample and even where we're looking
21 into broad based sets of information, we are going to assume that
22 the error rate is the typical error rate and not an extraordinary
23 error rate. Because of the incompetence of the investigators and
24 if there are additional steps we ought to take to make people
25 feel comfortable with that, you know, so be it. But I think to
26 talk about this particular disagreement on the Research
27 Subcommittee, it strikes me that we're at a point, late in the
28 game, given on our time table, where we might have done a lot of
29 things some what differently. We would have certainly started

1 our research process earlier and if the powers had been more
2 generous we would have done more research.

3 And now any research we get, even a perfectly reliable
4 survey is going to be a kind one on event and not something that
5 will be the last word on any subject. And what we're really
6 discussing is whether if we proceed with these patron interviews
7 we deal with the results in a sensible way. Identify them in a
8 sensible way, we tend to litigate all issues in this society so
9 the people on one side of the issue will use what ever anecdotal
10 or other information that is available for their side of the
11 argument and vice versa. Nothing can be done about that but I
12 think, the Chair has stated, and I think this is something that
13 we'll insist to be true for all the information that whatever the
14 Commission puts out will make, clear just to what extent it
15 represents.

16 A snap shot of 'X' reliability vs 'Y' reliability. Or
17 simply additional anecdotal evidence to help people get a feel
18 for the world. The newspaper reporters and journalist do this
19 all the time and mean they have to gather incomplete information
20 and try to give us a picture of the world and I don't think it's
21 a process. That has no place in our process and I would consider
22 this a kind of a lab reporting process of an elaborate piece of
23 journalism.

24 Chairman James: And I would also, for those who may not be
25 aware, make the point that both Commissioner Leone and
26 Commissioner Lanni are on the Report Subcommittee and will have
27 the opportunity to make sure that we follow through with that. I
28 am very concerned about losing you at this point. I don't

29 Commissioner Leone: I really don't have any choice on
30 this.

1 Chairman James: Let me ask.

2 Commissioner Dobson: Madame Chairman, I'm in the same boat.
3 I'm overdue too.

4 Chairman James: I understand. I do not want to cut off
5 any debate or discussion but I would be happy to entertain a
6 motion at this point before we lose our commissions.

7 Commissioner McCarthy: Madame Chair, I would move the
8 Subcommittee Majority report, this is Leo McCarthy.

9 Chairman James: Okay.

10 Commissioenr Moore: This is Paul Moore, I will second
11 that.

12 Chairman James: Alright, with that I'll do a roll call
13 vote. Commissioner Bible?

14 Commissioner Bible: I'm gonna vote yes, but with a caveat
15 that I think the data maybe some what questionable and as we go
16 through our work and as we develop our work (word inaudible) we
17 will have to recognize it for what it is.

18 Chairman James: Commissioner Dobson?

19 Commissioner Dobson: Aye.

20 Chairman James: Commissioner Lanni?

21 Commissioner Lanni: No.

22 Chairman James: Commissioner Leone?

23 Commissioner Leone: Yes.

24 Chairman James: Commissioner McCarthy?

25 Commissioner McCarthy: Yes.

26 Chairman James: Commissioner Moore?

27 Commissioner Moore: Yes.

28 Chairman James: Commissioner Wilhelm?

29 Commissioner Wilhelm: No.

1 Chairman James: No, and I think the yeses have it, but for
2 the record the chair would vote yes, with these caveats: One, I
3 think that it is very important that as suggested several things
4 happen (1) that the information is sited when quoted, and when
5 ever it's referred to in the Commission report and we will do
6 that. I think that Commissioner Lanni has offered an excellent
7 suggestion and (2) I will instruct the staff to look at ways in
8 which we can work with NORC to ensure the integrity of the
9 information that we get and Terry to work with you and others to
10 see if we can have some independent audits to be assured of that.
11 And with those two caveats, I think that it will contribute a
12 great deal to the information that we have available to us and
13 that it will further us in the process of (inaudible sentence
14 due to interruption of sentence by commissioner)

15 Commissioner Leone: This is Richard Leone, I gotta run so
16 take care

17 Chairman James: Okay, one final point that I would make
18 and thank you Dick for being with us, is that, I said it at the
19 beginning, and I'll say it at the end, this is not the way I like
20 to do business. I agree as stated before that we should hold our
21 meetings face to face, it is far easier for me as Chair. I
22 assure you of that. I would only ask that Commissioners, when
23 we, as we very well will, as we move along in this process, have
24 to come together for decisions that we're going to have to move
25 heaven and earth to get together in order to do that or we will
26 not complete our work on time.

27 Commissioner McCarthy: Madame Chair, may I close with this
28 brief statement? This is Leo McCarthy. I have every best regard
29 for my friend John Wilhelm's concern and arguments which I have
30 found very often to be persuasive. I have very high regards for

1 the integrity, objectivity and qualifications of the commission
2 staff and our research contractors, specifically NORC. While I
3 definitely want NORC to pay close attention to the 3 examples
4 that our colleague Terry Lanni raised, I do not universalize that
5 problem.

6 That era of 1 or 2 of many scores of people who work for NORC
7 to be characteristic of NORC, and they don't deserve our
8 condemnation. I think, from me they get praise, and thank you all
9 very much for supporting the majority report.

10 Commissioner Dobson: Madame Chairman, I have to go too,
11 but let me make a final statement. That I spent 10 years in
12 medical research at the University of Southern California and
13 during that time I found that error is everywhere. Under the very
14 best of circumstances it is very difficult to do quality
15 research. And you can make mistakes and still come out with
16 something meaningful and I think there's a big difference between
17 referring to the NORC people as having made an error or two and
18 referring to those errors as lies. And I think that was an
19 unfortunate mischaracterization of what took place.

20 Chairman James: Well, forewarned is forearmed and I think
21 that all of us want integrity in the process and want to get the
22 best information we can get and I think with perhaps some
23 additional training and with the audit that we are talking about
24 and with some close scrutiny perhaps we can get some reliable
25 data.

26 Commissioner Lanni: Kay, for the record, this is Terry
27 Lanni, I'd like to say just one thing for Dr. Dobson, he may be
28 off the phone by now, but the issue of lies, my reference to lies
29 had to do with the aspect. One, We had agreed to have anonymity
30 of the identification of this company. That was a

1 misrepresentation in my mind because that anonymity was lost when
2 NORC identified the company to the Research Subcommittee.

3 Commissioner Dobson: I did misunderstand you Terry.

4 Commissioner Lanni: Seriously, no reference to the lies,
5 relative to the surveys here. The second one Jim had to do with
6 just the aspect that we had cooperated with them and assisted
7 them and that in- turn we have letters from their research people
8 congratulating us on that. Whereas representatives of NORC at
9 the Subcommittee had indicated that there was a lack of
10 cooperation and assistance and that may have reduced the number
11 of people responding. That's where I think there was a
12 misstatement. One point I would like to raise though Kay.

13 Commissioner Dobson: I've really got to go, I'm sorry

14 Chairman James: Thank you Jim.

15 Commissioner Moore: I've got to go too. Terry I appreciate
16 that call.

17 Chairman James: Thank you Paul.

18 Commissioner Lanni: Kay, Lastly, It will be down to us
19 pretty soon, but. . .

20 Chairman James: That will be fun.

21 Commissioner Lanni: The only thing it may not be a quorum,
22 but I think I would like to recommend that and maybe you'll want
23 to direct this to the Research Subcommittee. One thing I think is
24 still an open issue is what is the definition of a problem
25 gambler and what is the definition of a pathological gambler.

26 We've heard some people, 2 to 3 and 4 instances of DSM-IV's
27 In some instances one, and I'm not so sure that is a NORC
28 responsibility that maybe some other responsibility. I don't
29 know the answer to it.

1 Chairman James: Well, you know Terry we made some headway
2 on pathological. We did not make as much headway on defining
3 problems. And could I suggest this that the Research
4 Subcommittee work with that, struggle with that and that it come
5 back to the full Commission as simple as it seems, that would
6 contribute to the dialogue that's going on in the country, so
7 that we're all using the same language.

8 Commissioner Lanni: It would and then whatever reference
9 point we have to the results of the patron survey, I think would
10 be a little clearer for each of us.

11 Chairman James: And then we all have to make sure that as
12 we are talking that we are very conscience of the language we use
13 and make sure we are using specific language. And Terry just for
14 the record, I think all of the commissioners and those that I've
15 talked to would want to thank you for what you and MGM have done
16 in terms of making your facilities available and cooperating as
17 you have.

18 Commissioner Lanni: It was also Mirage, but thank you Kay.

19 Chairman James: Yes, with that, I'd like to call the
20 meeting to a close, thank the commissioners and appreciate your
21 getting this done today. I know how difficult it was, and again
22 it was not the best of circumstances, and no one would have
23 chosen to do it this way, but it had to be done. And so we will
24 try not to do this in the future unless again it is absolutely
25 essential.

26 Thank you very much.

27 (remaining callers say good bye)